



JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah Department of Commerce

Division of Securities

FRANCINE A. GIANI
Executive Director

THAD LEVAR
Deputy Director

WAYNE KLEIN
Director of Securities

NEWS RELEASE

January 28, 2008

Criminal Charges Filed Against Seller of Real Estate Promissory Notes

Poulson accused of taking \$90,000 from investor for a note paying 2% per month ...

SALT LAKE CITY, Utah – Jeffrey R. Buhman, Utah County Attorney, today filed felony criminal charges against Joshua Michael Poulson for taking \$90,000 in investment funds from an investor. The investor was told his investment would be secured by real estate purchased and held by Poulson, to be sold for a profit. The investor was given a promissory note promising a return of 2% per month on his principal investment.

The investments were made through Poulson's company, Poulson Investing, LLC. Poulson is alleged to have encouraged the investor to obtain a second mortgage on his home, to increase the amount he could invest. The investor alleged he was told his money would be used by Poulson to purchase undervalued real estate at low prices, which would then be sold for a profit. He was told the risk of the investment was low. The investor allegedly was told the investment would earn enough money to pay off both the first and second mortgages on the investor's home.

The one count of second degree securities fraud alleges Poulson made false and misleading statements to entice the investor to give money to Poulson and that Poulson failed to provide full disclosure to the investor about how the investment would be used and the risks of the investment.

On November 21, 2007, the Utah Division of Securities commenced administrative enforcement proceedings against Poulson, his wife, and Poulson Investing, LLC. The Division's action is based on similar conduct for seven investors who allegedly gave \$325,000 to Poulson Investment and seeks a cease and desist order and fines.

Note: defendants accused of criminal charges are presumed innocent until proven guilty at trial or after entry of a guilty plea.